

PUBLIC SERVICE COMMISSION 861 SILVER LAKE BLVD.

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December 29, 2021

Memorandum

TO: The Chairman and Members of the Commission

FROM: Malika Davis, Deputy Director

SUBJECT: IN THE MATTER OF THE APPLICATION OF THE ENERGY

MANAGEMENT GROUP, LLC FOR A CERTIFICATE TO PROVIDE ELECTRIC SUPPLY SERVICES WITHIN THE STATE OF DELAWARE

(FILED OCTOBER 25, 2013) – PSC DOCKET NO. 13-432

Background and Summary

On December 17, 2013, in Order No. 8505, the Delaware Public Service Commission (the "Commission") approved the Electric Supplier Certificate ("ESC") for The Energy Management Group, LLC to broker electricity in the State of Delaware pursuant to § 1012 of the Electric Utility Restructuring Act of 1999, 26 *Del. C.* §§ 1001 - 1020 (the "Act") and 26 *Del. Admin. C.* § 3001, the Commission's Rules for Certification and Regulation of Electric Suppliers (the "Supplier Rules").

In accordance with Section 12.3 of the Supplier Rules, all Electric Suppliers (including Brokers) are required to file an annual report by April 30th of each year. In March of 2021, Commission Staff ("Staff") emailed Electric Suppliers to remind them of the April 30th deadline. Several Electric Suppliers, however, still missed the deadline. Given that some companies may not have been able to meet the April 30th deadline due to the disruption of normal business practices because of the COVID-19 pandemic, Staff allotted additional time for filing the annual report. Staff made several attempts to contact the Electric Suppliers that had not filed the report, including contact by e-mail, first class mail, certified mail, telephone, the Electric Supplier's website, and the Registered Agent on file with the Commission. On September 22, 2021, Staff sent a final letter to the delinquent Electric Suppliers warning them that to avoid revocation of their ESC, they must

¹Unless otherwise noted, all references to capitalized terms are set forth in the Act and/or the Supplier Rules.

file their annual reports by October 15, 2021. The delivery tracking indicates that the final letter was delivered to The Energy Management Group, LLC on September 29, 2021. On December 10, 2021, Staff mailed a notice of hearing, scheduled for January 5, 2022, regarding The Energy Management Group's failure to file an annual report to The Energy Management Group, LLC and its Registered Agent.

The Energy Management Group, LLC did not respond to any of the correspondence from Staff and has yet to file the required annual report.

Staff Recommendation

Section 2.14.3 of the Suppler Rules provides the following:

The Commission will consider an ESC to be relinquished if the Electric Supplier does not provide the required yearly compliance filing in subsection 12.3 of these Regulations within ninety (90) days of the required date. An Electric Supplier shall be allowed 30 days' notice to cure a late annual filing.

The Energy Management Group, LLC failed to file its annual report within 90 days of the April 30th deadline and was allowed more than 30 days' notice to cure, as set forth in Staff's letters dated September 22, 2021, and December 10, 2021.

For these reasons, Staff recommends that the Commission consider The Energy Management Group, LLC's ESC to be relinquished for not providing the required annual compliance filing under subsection 12.3 of the Supplier Rules. The Energy Management Group, LLC is only authorized to operate as a Broker in Delaware and therefore does not provide Electric Supply Service directly to any Delaware Customers. Staff therefore recommends that the relinquishment of the ESC be effective immediately.